LISA Registration System Annual Support cost

Executive Summary and Recommendations

The on going support costs for the LISA registrations system have been frozen since September 2003. The only changes have been to support the Disaster Recovery installation in Star Internet. All other enhancements have been supported within the current cost structure. This model allowed for up to 13 "man days" per quarter support. Support additional to this was on a cost basis. On a few occasions additional support hours have been charged for.

Digital Steps Ltd, the supplier now propose to enhance the amount of support we receive as we move to a critical phase of high value enhancements to the LISA system; namely CPD and Fees increase. The initial proposal of £125k per year has been negotiated down to £94k per year, with an 8% decrease in subsequent years.

The Finance & Resources committee are asked to agree the new support fees from December 2006 onwards. The period of the agreement will run initially for 4 months to end March 2007, followed by a further three years from the start of April 2007 and will expire March 2010.

Introduction

The current LISA Registration system support contract has been in place since the system went live, although was not formally signed until September 2003. HPC have thus enjoyed essentially fixed costs for the past 3 years and 4 months. An additional instance of the LISA application is supported at Star internet for a small increase in cost.

The current support agreement has allowed the LISA registrations system to be supported with minor enhancements being delivered with unused support time.

The application server and back end database are on the versions initially rolled out with the LISA system as a whole. Later versions of this supporting software are now available and the "middleware" application server from Borland is currently out of support. Whilst any production system is unlikely to be kept on the latest versions of software due to levels of bugs possible, it is desirable to be within one or two versions of the software available.

In the past Digital Steps have been able to programme around any issues with the Borland Application server. However they now wish to consolidate on just two application servers across all of their customers. Borland is not in the desired technology map for Digital Steps and they strongly recommend migrating to a new platform. The suggested application server product is from Sun, one of our existing hardware and operating system suppliers. We would no longer need to pay for separate support for the Application Server product in future.

As such a migration is potentially high risk and costly, the IT department have engaged NCC, our existing Escrow and penetration testing company to provide an independent evaluation of the migration.

The key requirements of the proposal for NCC were as follows;

Project Initiation Meeting – to reconfirm the scope of the project, the deliverables, key contacts and key dates.

Review - the proposal from DSL to migrate LISA from Borland Application Server 5.2 to a new platform, to include:
      Analysis of Application Server options
      Is the proposed DSL solution optimal for HPC?
      Review of DSL risk analysis

Review - of proposed solution benefits, specifically with regard to:

      Support
      Security – e.g. unable to force auto password expiry on current system
      Updates

Review of proposed test / migration methodology

      Including analysis of current SUN solution and how this will support the new solution.
      Also whether the existing test system is suitable for the test / migration / ongoing support of the new solution.

Produce recommendations report

      A concise report which focuses on the key issues will be the out put of this exercise.

Documentation Review –We will seek to review any available, appropriate and relevant documentation such as the Digital Steps support document you have already provided. Such information will serve to further our understanding of both the current level of support and also the requirements from within the organisation.

Consultation – we will carry out a consultation exercise with DSL in order to complement the documentation review and enhance our understanding of the requirements. This will be completed by tele-conference. Further discussions will also be held with HPC.

Report – we will produce a report to be presented for discussion to HPC highlighting our understanding of the current situation and offering recommendations as to how the organisation should move forward with addressing the requirements of LISA.

The report will comment on areas such as:

        Is the proposed move a good decision / is the proposed solution best of breed?
        DSL support for 2 application server environments – why this particular option has been chosen?
        What is level of risk – can it be mitigated further / have DSL considered all

risks?
Is this a reasonable cost?
Have DSL covered everything in their costs?
Are the costs quantifiable for HPC?

Costs that can be allocated outside of the support element of the contract.
The cost of migrating from one application server to another can be capitalised if the costs can be apportioned. Digital Steps have suggested that a figure of £70k will be expended over three years support costs to make the initial migration from Borland to Sun.

Migration of the Application Server matches Risk Register item 5.2 Technology Future Proofing]

Additionally the amount of support time per quarter available to HPC will increase from 13 man days per quarter to unlimited hours per quarter. This will provide increased robustness as CPD, Application Server, Fee Increase developments are rolled out to the live environment.

Decision

The Committee is requested to agree the proposed changes to the LISA support contract.

Background information

LISA support proposal 2006

NCC Group report on LISA Application support, Assessment of Proposal, dated November 2006

Digital Steps response to NCC report

Resource implications

No immediate impacts

Financial implications
The annual support cost will change from £61,640.04 including VAT for up to 13 support days per quarter, to £94,000.00 including VAT for unlimited support days per quarter.

This equates to an increase of £10,786.64 in the current Financial year, 8% decrease in support costs thereafter for subsequent 2 years. Lock in to 3 years support contract overall. As £70k of this relates to work that can be capitalised the operational cost impact is lowered.

Background papers

Appendices

Date of paper
3rd November 2006